



Affirmative Market Program

Commonwealth of Massachusetts

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M/WBE TALK

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**M/WBE
Training
Opportunity**

M/WBE

Building Contractors "Brown Bag Workshop"

For building contractors and suppliers to assist with the Contractor Certification Application process.

Two dates: Wednesday March 7 or Wednesday, March 21, 2007; Noon to 2:00 p.m.
DCAM, One Ashburton Place,
16th Floor, Boston
Pre-Register to Donna Fleser
Donna.fleser@osd.state.ma.us

The Director's Corner

The Affirmative Market Program's mission is to ensure that state certified Minority- and Woman-Owned Businesses (MBEs-WBEs) gain access to contracting opportunities with executive branch departments and other participating state entities. To that end, we have developed programs targeted at maximizing use of M/WBEs in all procurement opportunities regardless of size of contracts.

Some new services offered for FY07 include:

- AMP-DCAM Certification Workshop for vendors in vertical construction.
- AMP RFR Template Language for Contract Managers.
- AMP Plan Resources List for Bidders
- Procurement Information Center – AMP updates Procurement tools for Vendors posted on AMP's website (www.mass.gov/amp)

Please note that we offer other on-going programs. Information posted on our website includes the following:

- 3 Annual AMP Vendor Procurement Works (fall, mid-year & spring)
- Free Business to Business Mentoring Program
- *Meet the M/WBE Vendor Program*
- Statewide Fiscal Year Kickoff-Networking Event



Monsi Quinones, AMP Executive Director with Ellen Bickelman, State Purchasing Agent at the recent AMP Legislative Breakfast. Photo courtesy of McCardinal Photo (WBE)

(See "Directors Corner", continued on page 6.)

AMP 3rd Annual Legislative Breakfast - Doubles Turnout!

The Affirmative Market Program is growing. Our mission to promote certified Minority and Women-Owned Businesses is successful, and people are listening. We are pleased to report that attendance for the AMP Legislative Breakfast doubled last year's turnout, growing from 70 to over 150. State Senators, State Representatives, Department Heads, Higher Education, Connecticut's Supplier Diversity Program and members of the M/WBE community came together on November 29th at the Massachusetts State House to discuss the importance of the Affirmative Market Program. Speakers included Senator Bruce Tarr, a champion to the AMP cause, Senator Scott Brown and Representative Mary Grant.

AMP Business Advisory Board members shared how the program positively impacted their business growth

(See "Legislative Breakfast" Continued on page 5)



STAR (Statewide Training And Resources) Exposition

**May 1, 2007 9:00 AM to 4:00 PM
at Boston's Bayside Exposition Center,
Boston, MA.**

Exhibiting at STAR is an opportunity to meet 2,000 attendees, and identify decision makers and other end users in one great day. Be part of the STAR Program Book through advertising, sponsorship or partnership and have your marketing continue beyond STAR. For more information visit the STAR website at www.mass.gov/STAR.

*"The way to
get started is
to quit talking
and begin
doing."*

~ Walt Disney

**News From The Contractor Certification Office at
DCAM—***Natasha Bizanos, Manager of Contractor Certification*

The Sub-Contractor Certification Program is well underway in the DCAM Certification Office. The program certifies those contractors wishing to bid on sub-trade work, valued over \$20,000, under M.G.L., Chapter 149, Section 44F. So far, the Office has certified approximately 700 sub-bidders this year in the various filed sub-bid classes of work. Listings of certified sub-contractors are available on the DCAM web site at www.mass.gov/cam.

As a result of Construction Reform and the related subcontractor certification effort, the Office has recently revised the certification regulations, which can be found at 810 CMR 4.00 and 8.00 and are referenced at www.mass.gov/cam/forms.

Generally, the process to become certified as a filed sub-bidder requires the completion of the Application for Filed Sub-Bidder Certificate of Eligibility (evidencing suitable project history in the trades requested), submission of a workers' compensation insurance binder, corporation papers, and a CPA prepared Financial Statement. Prime/General contractors who are certified already in an area of work covered by Section 44F receive automatic certification without separate application as a subcontractor.

One very important and new requirement is that all filed sub-bidders must be evaluated by the Public Owners/Awarding Authorities at the interim (50%) point of each sub-contract, and again at completion of the project. The Final Evaluations are used in rating the contractor when they apply for renewal of their certification. At the DCAM web site, you will also notice the newly revised Standard Contractor Evaluation Form. This form can be used for both Prime/General contractors and Subcontractors. It would be extremely helpful to review the Evaluation form to see the new signature requirements on the last page of the form.

Several new efficiencies have also been built into the certification program to accommodate the larger influx of applications the staff is handling. Those efficiencies include transferring the department into an electronic, paperless office to better facilitate communications between DCAM's Certification Unit and the various Awarding Authorities and contractors. In addition, all certification forms and applications are available on-line and may be completed right at the terminal. These improvements should expedite both the certification and evaluation processes for the state agencies and municipalities managing public work.

The Certification Staff consists of Natasha Bizanos, Manager of Contractor Certification, Harry Schoenbrun, Assistant Certification Manager, Compliance Officers Dean Bates, Elaine Judge, Guido Federico, and Andrew Ward, and Jim Gaudreau as the office's Administrative Assistant. Please feel free to contact the staff for any questions or issues at (617) 727-9320. We feel that the Sub-bidder Certification Program will show concrete results in the coming years in terms of higher quality work by subcontractors and more timely completion of sub-trade work.

New M/WBE Construction Contractors Brown Bag Lunch Workshop

In an effort to provide training and outreach to the M/WBE construction vendor community, the AMP will be hosting two brown bag lunches at the Division of Capitol Asset Management and Maintenance (DCAM), One Ashburton Place on the 16th floor from noon to 2:00 p.m. SOMWBA Certified Prime/General Contractors and Filed Subbidders are encouraged to attend either session on March 7 or March 21, 2007 to learn about the Contractor Certification Application process. Both workshops will be led by Natasha Bizanos and Harry Schoenbrun, experts in state construction contracting from DCAM. Space is limited to ten people per workshop and all attendees must pre-register to attend. To register, please contact Donna Fleser at the AMP, donna.fleser@amp.state.ma.us or at 617-720-3103.

**Please note this workshop is for building contractors and filed sub-bidders only, not suppliers, manufacturers or other service-providers.*



Welcome aboard Andres Lopez, Director of the Massachusetts Community Development Finance Corporation to the AMP Business Advisory Board.

The AMP Business Advisory Board Welcomes New Members!

We are pleased to announce two new members to the AMP Business Advisory Board. East Coast Petroleum and the Mass. Community Development Finance Corporation have accepted our invitation to participate as board members.

East Coast Petroleum, a WBE certified business was established in 1985 and has grown to now have 27 employees with revenues in 2005 of \$6.1 million. Loretta DeGrazia is president and CEO. She and her company have received numerous accolades and awards including recognition of professionalism and an outstanding record of customer satisfaction. She was honored in May, 2004, with a "Vendor Best Performance Award" by the AMP for ECP's performance of state contracts. In addition, Loretta was named

one of the top 100 women Business Leaders in Massachusetts for 2003. We are looking forward to working with Loretta. Her experience in contracting with the state will be a great benefit to the Board.

The Massachusetts Community Development Finance Corporation (CDFC) is led by its President, Andres Lopez. Andres has extensive experience working and consulting with small businesses. CDFC's mission is to provide financing to small businesses in Massachusetts to which private capital is not readily available with the purpose of creating or preserving jobs and promoting economic development. Having a financial perspective will serve to enhance the initiatives the board works on now and in the future. We are very pleased that

Andres has accepted our invitation and also look forward to working with him this fiscal year.

Loretta and Andres will join other Board members including Janet Santa Anna, The Resource Connection (WBE), Indira Patel and Patricia Vacca, New England Office Supply (M/WBE), Swapan Roy, Stellar Corporation (MBE), Josie Haywood, Executive Analytics & Design (WBE), Robin Cohen, Chameleon Consulting (WBE), Shirley Young, Global Advanced Technology (M/WBE), Michael Kaye, Arvest Press (WBE), Daniel M. Carson, DMC Engineering (MBE), and Thomas Simmons, Jackson & Company (MBE).

There are no shortcuts to any place worth going

Beverly Sills



The AMP welcomes Loretta DeGrazia, President of East Coast Petroleum to the AMP Business Advisory Board.

BAFO/Contract Negotiations: Vendor is that Your Final Offer?



Kristal Doherty, OSD Facilities Procurement Director provides information about BAFO's at a recent AMP coordinators's Meeting.

Okay, you have just worked for weeks putting together an RFR, and as you begin your contract evaluations you discover that the AMP Plans have not been met to your expectations and the pricing overall is higher than you had hoped for. Do you scrap the whole bid and start over? No, not if you correctly use Best and Final Offer (BAFO) and/or Contract Negotiations. These tools are an excellent way of getting your contractors to meet your AMP Plans and pricing demands while working with existing RFRs.

Kristal Doherty, a Procurement Director in the Operational Services Division provided AMP Coordinators with an informative lesson regarding BAFO and Contract Negotiation at a recent AMP Coordinator's meeting. For those who missed the meeting, here is a brief synopsis. According to 801 CMR 21.06(11) a Procurement Management Team may provide bidders with an opportunity to conduct a BAFO. The tool may be used to increase the value of anything offered in a bidder's response or to decrease costs/prices in the bidder's response. Procurement Managers need to be aware that there are some ground rules when using BAFO:

- The procurement team can choose who to BAFO based on fairness.
- All participants should have the same information and submission requirements in writing.
- BAFO responses should be considered part of a new evaluation process and rescored.
- Selected bidders are not required to change their responses to a BAFO
- The Procurement Team may disclose the best price offered but not the bidder.

After using BAFO, and selecting a winning vendor, the procurement team may further increase their Department's position during Contract Negotiations. All negotiations must be handled by one or more staff members prior to formally executing a contract. The result of negotiations must be documented and signed by both parties. Procurement Officers should also keep in mind that Responses to an RFR will only remain in effect for 90 days from the date of the bid submission. What is negotiable?

- Any element of contract performance
- Cost identified in bidder's response
- Elements which result in lower costs or more cost-effective or better value commodity or service than was presented in the original response.
- The Affirmative Market Plan

It should be noted here that the Standard Contract Form, Commonwealth Terms and conditions and Commodities and services that are outside of the scope of the original RFR are never negotiable.

The Goals of Negotiation are to:

- obtain the "best" position possible within a given time frame;
- maintain control over the negotiation process and subsequent agreement, and
- improve or at a minimum, retain the relationship and support from the other party.

Additional Negotiated Items agreed to by both parties:

- Language to clarify the contract performance;
- A more detailed description of the language in the response to benefit the Commonwealth
- Clarifications regarding respective contract responsibilities between departments and contractor "fill in the gaps."

Keep your AMP Plans in mind when conducting contract negotiations. You can try to negotiate an increase in benchmarks for spending with SOMWBA certified M/WBEs for the duration of the contract and to increase what was committed to in original response.

Questions about BAFO and Contract Negotiations can be directed to your Department's Legal Council, or to the Operational Services Division's Procurement Manager for the commodity or service that you are purchasing.

*Wherever we look
upon this earth,
the opportunities
take shape within
the problems.*

~ Nelson A. Rockefeller

Legislative Breakfast

(Continued from page 1)

and how they in turn have mentored other M/WBE's because of the program. Maureen Thompson founder of Maureen Electrical, an WBE and a participant of the AMP Business Advisory Board Mentoring Program, sponsored a drawing for a \$100 gift card to Legal Seafoods. Photographs for the event were provided courtesy of Diane McCormick of McCardinal Photo (WBE) of Quincy. Printing services were complements of Michael Kaye and Arvest Press (WBE). Refreshments were sponsored by C.Q. Personnel (WBE) and the AMP.

If you missed this year's event, please make it a point to attend next year's Legislative Breakfast and help us to provide M/WBE opportunities for all.



Janet Santa Anna, AMP Board Member, State Senator Bruce Tarr, and AMP Executive Director Monsi Quinones smile for a photo at the 3rd Annual AMP Legislative Breakfast. Photo courtesy of McCardinal Photo.



Left: Bird's eye view of the 3rd Annual AMP Legislative Breakfast. Right: Daniel Landerfin and Nick Mace of CQ Personnel appear with Monsi Quinones, AMP Executive Director. Photos courtesy of McCardinal Photo.

"The man who has no imagination has no wings.."

~ Mohammed Ali

NEW! Pathways to Public Procurement

OSD is pleased to announce a workshop offered for contractors interested in learning how to do business with the Commonwealth. This workshop is designed to help those businesses interested in learning about the Commonwealth's procurement process. The next scheduled session is March 27th in Boston. The workshop will include;

- Methods of Public Procurement in Massachusetts
- Where to Find Bidding Opportunities
- Comm-PASS Navigation
- Forms Overview
- Marketing Tips
- On-line Resources
- And More!

Additional information is available on-line at <http://www.mass.gov/Aosd/docs/other/index.htm> . Seating is limited so please register early by sending an e-mail to OSDOutreach@osd.state.ma.us With March 27th Vendor training in the subject line and including the name of your business, attendee, name, e-mail, telephone number and address.

M/WBE TALK

Director's Corner

(Continued from page 1.)

- Legislative Breakfast
- Contact List of Department Coordinators
- Market M/WBE on State-wide Contracts
- Newsletters

With the support and commitment from AMP Coordinators and OSD Contract Managers final expenditures with MBEs and WBEs in the area of goods and service for last fiscal year show remarkable increases.

- In fiscal year 2006, the combined total spending of M/WBE statewide expenditures for Goods and Services was \$426,256,135, an increase of \$34,583,468 or **8% over** FY05 statewide spending.
- The FY06 MBE spending for Goods and Services total is \$190,637,438, a \$3,199,458 increase or **2% above** FY05 total of

\$187,437,980.

- The FY06 WBE spending of \$235,618,697 is a \$31,254,010 increase or **13.26% over** the FY05 spending of \$204,364,687.
- In FY06 the total State-wide Contract's MBE sub-contractor participation totaled \$5,016,660, this is an increase of \$1,750,878, or **55% over** last fiscal year.
- In FY06 the total State-wide Contract's WBE sub-contractor participation totaled \$2,061,107, this is an increase of \$1,775,405, or **720% over** last fiscal year.

The FY06 AMP Annual Report with complete department performance of program objectives and spending benchmarks will be accessible online in the program reports page this spring.

We will continue striving to develop valuable initiatives to enhance capacity building of small, minority, women and disadvantaged vendors through the Commonwealth's Affirmative Market Program. I am available to assist both departments and vendors in achieving our mission and program goals and look forward to continuing successful endeavors for the remaining fiscal year.

How to Reach Us...

Affirmative Market Program

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Come visit us at
www.mass.gov/amp

AMP Contracting with the State Workshop



Attendees learn about doing business with the state from contract directors and M/WBEs who have state contracts at the recent AMP "Contracting with State Entities" workshop in Boston.

Over 50 M/WBE's attended the recent AMP Advanced Vendor RFR Workshop "Contracting with State Entities" held at 1 Beacon Street in Boston on January 18. Attendees learned how to navigate the state's online solicitation system, how to market to the state and how to succeed in the bidding process from contract directors including M/WBE's, who have already done it. Feedback about the training was overwhelmingly positive, as indicated by the 90% approval rating given by surveyed attendees.

If you are a certified M/WBE and have not attended one of our workshops, we encourage you do so. All AMP Vendor events are advertised on our website at www.mass.gov/amp. Under the "Affirmative Market Program Services" page.